



## **Request for City Council Committee Action from the Neighborhood and Community Relations Department**

**Date:** December 8, 2011

**To:** Council Member Robert Lilligren, Chair, Committee of the Whole

**Referral to:** City Council

**Subject:** Revised NRP ordinance and related resolutions for establishing a new NRP Policy Board and amending the Neighborhood and Community Engagement Commission resolution.

**Recommendation:**

1. Approve Revised NRP ordinance
2. Approve NRP Policy Board Resolution, and
3. Approve Amended and Restated Neighborhood and Community Engagement Commission Resolution.

**Previous Directives:** On December 13, 2010, the City Council directed City staff to suspend up to 50% of the un-contracted balance of neighborhoods NRP Phase II allocations with the intention to reprogram NRP funds for a revised Community Participation Program (CPP) for the 2012 and 2013 program years. The City Council indicated the City's intent not to renew or extend the existing Joint Powers Agreement for NRP when it expires on December 31, 2011.

On January 14, 2011 The City Council established the Neighborhood Funding Work Group. The Work Group was charged with outlining its recommendations to establish a process for neighborhood priorities to inform the City's annual budget, set a policy direction for City department connections with neighborhoods, and to revise the Community Participation Program to reflect a two-year NRP transition phase. On March 9, 2011, the City Council Committee of the Whole received a report from the City Council's Neighborhood Funding Work Group outlining the steps necessary to achieve these goals.

On October 7, 2011, the City Council took action to authorize the Director of the Neighborhood and Community Relations (NCR) Department to proceed with any work necessary for the transfer of administrative responsibilities for NRP programs and activities, including the assumption of NRP contracts, assets, and management and oversight duties beginning January 1, 2012; and to direct the NCR Department to report back to the City Council in November with proposed revisions to the CPP guidelines and the NRP ordinance.

## Department Information

Prepared by: Robert Thompson, Neighborhood and Community Relations Department

Approved by:

David Rubedor, Neighborhood and Community Relations Director \_\_\_\_\_

Steven Bosacker, City Coordinator \_\_\_\_\_

Presenters in Committee: David Rubedor, Robert Thompson

## Financial Impact

No financial impact to the City Budget. The December 13, 2010 City Council budget action redirected \$10,000,000 of existing NRP allocations to be used to continue funding the Community Participation Program for the years 2012 and 2013. The actions outlined in this report provide the structural and legal changes necessary to reprogram the funds for their intended use.

## Community Impact

The Neighborhood and Community Relations Department published the NRP ordinance, the NRP Policy Board Resolution and the Neighborhood Community Engagement Resolution on November 8, 2011. Given the significance of the changes on the potential interest and impact on the community, NCR requested a 30 day period for public review and comment. The proposed changes to the Community Participation Program are also out for public comment although City Council action is not scheduled until January. Feedback on the revised NRP Policy Board has also been received as part of the NCR's comment period on the revised Community Participation Program guidelines. Public comment attached to this report, therefore, may include elements of both comment reviews. Other aspects of the public review period include:

- Comment period for the revised Ordinance has been three times the legally required period. Comment period was open for 30 days prior to the scheduled public hearing on December 8<sup>th</sup>. NCR notified all neighborhood organizations of the revised ordinance and the hearing.
- The NCR/NCEC collectively held eight community meetings across the city to discuss these changes to the NRP Ordinance and the changes proposed to the CPP guidelines. NCR staff also attended nine neighborhood organization board meetings at the request of those organizations. Approximately 136 individuals were in attendance at those meetings.
- The NCEC has extensively discussed their new role under this new structure.

The proposed revisions to the NRP ordinance represent a major shift in governance of the NRP. The NCR and Development Finance Division staff members are continuing to work on an orderly transition of day-to-day administration of NRP programs to reduce the impact on neighborhood organizations. NCR staff are currently working to ensure orderly carry-over of other services provided by NRP, including provisions for Directors and Officers insurance for neighborhood organizations, audits, financial reviews, and preparation of annual 990 forms.

## Overview

City Council Committee of the Whole Meeting on December 8<sup>th</sup> will include:

1. NRP Ordinance Revision
2. New NRP Policy Board Resolution
3. NCEC Resolution

The December 8<sup>th</sup>, 2011 Committee of the Whole meeting will be a public hearing. The aforementioned items will be sent to the City Council on December 16<sup>th</sup>. Revisions to the Community Participation Program guideline will be forwarded to the City Council for review and approval in January, 2012.

### **Revised NRP Ordinance**

The changes to the NRP ordinance support two objectives:

1. Transfer of NRP administration to the City of Minneapolis, and
2. Reprograming of the \$10M of NRP fund balance for the CPP program.

Highlights to the changes in the Ordinance include:

- Similar revision was undertaken to establish NRP Phase II
- Allows the structure of the CPP to maintain the 3 program purposes: Identifying and Acting on Neighborhood Priorities, Influencing City Decisions and Priorities, and Increasing Involvement.
- Ensures use of the funds for the CPP is consistent with State Law and City Ordinance.
- Provides for the establishment of a new Policy Board, an essential and required element of the State NRP Law.
- Clarifies the roles of the Policy Board and the NCEC to avoid duplication as the CPP (previously the purview of the NCEC) becomes a component of the NRP (under the purview of the Policy Board).
- Includes an implementation component (beyond engagement) to the CPP so that the CPP is compliant with the State NRP Law.
- Clarifies the City Council's direction to City departments and participating jurisdictions that, in lieu of project funding provided to neighborhoods (a hallmark of Phase I and Phase II of NRP), these departments are expected to work with neighborhoods to find actions/solutions to neighborhood-defined opportunities and priorities (the hallmark of this third phase of the program).
- Updates ordinance for changes that occurred with the program since its last revision

### **New NRP Policy Board Resolution**

The NRP Policy Board resolution establishes a new NRP Policy Board, and determines:

- Membership;
- Process for selecting neighborhood representatives;
- Meeting requirements;
- Selection of Officers; and
- NCR will staff policy board and convene first meeting.

Existing NRP Policy Board policies (such as the NRP Plan Modification Policy) will be adopted by the NCR Department, to the extent they do not conflict with City policies, until further review and revision by the new NRP Policy Board.

Other aspects of the NRP Policy Board Resolution:

- Advisory to City Council
- Role expand beyond NRP Phase I and II administration to include implementation aspects of the Community Participation Program
- Membership includes multi-jurisdictional partners
- 4 neighborhood representatives appointed by the NCEC

## **Amended and Restate Neighborhood and Community Engagement Commission Resolution**

The NCEC Resolution revises the role of Neighborhood and Community Engagement Commission (NCEC) to prevent overlap and duplication with the new NRP Policy Board. The vision of the new NCEC is a City and community engagement process that increases inclusiveness, empowerment and greater opportunities for participation by all community members of the City of Minneapolis. The resolution also establishes new purposes for the NCEC.

Purposes of the revised NCEC will be to:

- 1) Partner In collaboration with NCR, study issues, courses of action, policies, and programs that affect the quality of life for City residents and make recommendations for improvements to City departments and the City Council as they pertain to community participation policies and delivery of services while integrating the voice of residents into the City's decision-making processes;
- 2) Appeals, Grievances and Designation Consider appeals from neighborhood organizations regarding funding decisions involving the City funded programs administered by NCR, including the Community Participation Program (CPP) but excluding any NRP Plans. The Commission will hear grievances of actions taken by neighborhood organizations and recommend to the City Council any necessary corrective remedies. The Commission will designate the recognized neighborhood organizations in the city;
- 3) Create Policy Establish community engagement policies for the City's neighborhood programs, excluding Phase I and Phase II of the Neighborhood Revitalization Program, which promote more representative neighborhood organizations;
- 4) Cultivate Relationships Serve as liaisons between the City of Minneapolis and community and neighborhood organizations. In this role the commission shall make every effort to ensure that the concerns represented reflect the diverse viewpoints and interests of the residents of Minneapolis;
- 5) Increase Participation Advise the City Council on policy matters to build the capacity of under-represented groups in order to increase their participation in the civic governance of the City, expand the ability of neighborhood organizations to engage diverse neighbors, and assist in building partnerships with communities and groups that often do not participate in the formal neighborhood system, such as communities of color, new Americans and refugees as well as low income residents;
- 6) Broaden Representation Develop a five-year community engagement policy plan to increase the number and diversity of people involved in their communities and seated to City boards and Commissions. This participation contributes to and strengthens the vitality of community capacity and increases the impact of the community on public decisions;
- 7) Give Voice Promote broader engagement, increase inclusion, and identify/remove barriers of participation by fostering a sense of community and helping all residents address specific concerns via the NCR department and the Commission.

By promoting diverse and inclusive participation from boards and commissions to civic involvement in community groups, the NCEC can play an important role in reducing significant racial and class disparities in outcomes of local programs. As an example, the revised NCEC can play an important role in partnering with the City's diverse cultural groups to increase

participation and diverse leadership on the City's many boards and commissions. The NCEC could also play a role in reviewing community engagement processes for inclusiveness and participation by under-represented groups, and work directly with community groups to ensure more robust and representative community engagement processes.

Other aspects of the NCEC resolution

- Eliminates duplication of roles with the new Policy Board
- Focused on broader community engagement practices and participation, including diverse communities, neighborhoods and city departments.
- Retains the program development for the Community Participation Program and its allocation formula with the NCEC. Implementation of the Community Participation Program will be with the new NRP Policy Board .
- Designates neighborhood organizations.
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### **Transfer of NRP Central Administration**

Following City Council directions of December 2010 and October 2011, the NRP Joint Powers Agreement will sunset on December 31<sup>st</sup>, 2011, and NRP Administration will transfer to the NCR Department on January 1<sup>st</sup>, 2012. NCR will be adding neighborhood support services previously offered by NRP, will continue to support the Community Participation Program **and** support for NRP Phase I and II programs and activities.

Aspects of the NRP Administration transferring to the City on January 1<sup>st</sup>, 2012 include:

- Management of:
  - +\$43.5 Million fund balance
  - +1,400 NRP contracts
  - More than 120 approved Phase I or Phase II plans
- Administration of NRP processes (plan development, approvals and modifications)
- Provision of neighborhood support services previously offered by NRP
  - Auditing
  - D& O and Liability Insurance
  - Financial reviews and preparation of 990 forms
  - Contract administration and support
  - Legal support
- NCR's focus is to limit the administrative disruption for neighborhoods organizations.

## **Appendix: Community Feedback**

The Neighborhood and Community Engagement Commission (NCEC) approved two resolutions regarding the relationship of the NCEC and the NRP Policy Board. The first resolution, introduced by Commissioner Jeff Strand is:

### **Resolution of the Neighborhood and Community Engagement Commission (NCEC): Policy Recommendations on Minneapolis Neighborhood Programming and Community Engagement 2012-2020**

*By Commissioner Strand*

**Whereas**, the City Council and Mayor established the Neighborhood and Community Engagement Commission (NCEC) by Resolution No. 2008R-402 and stated the among the ten Purposes to "Provide overall direction to the next phase of the Neighborhood Revitalization Program and be primarily responsible for the review of neighborhood plans and recommended approval to the City Council" and to "Actively assist in short and long-term planning, development and implementation of the City's community engagement system, including possible implementation of the 2007 Community Engagement Task Force recommendations;" and,

**Whereas**, the Community Engagement Task Force included in its November 2007 Recommendations Item "R27 - CREATE A RESIDENT-BASED COMMISSION" that called for the City to "Create a resident-based commission of community engagement" and that "The responsibilities of a community engagement commission should include but not be limited to: Actively assisting in short and long-term planning, development and implementation of the City's community engagement system;"<sup>i</sup> and,

**Whereas**, the Framework for the Future envisioned Resident-controlled Advisory Board, staffed by the new department, to "provide overall direction to the next phase of the Neighborhood Revitalization Program and be primarily responsible for the review and approval of neighborhood plans; oversee distribution and use of administrative funds...and advise the Mayor, City Council and City departments on community issues and needs related to...the City's community participation system;"<sup>iii</sup> and,

**Whereas**, the NRP Work Group determined that "A major focus of the program will be an enhanced integration of neighborhood-level work with the work of the City. A resident-controlled advisory board, staffed by a new department dedicated to the full breadth of this work, will provide overall direction to the Neighborhood Revitalization Program and advise the Mayor, City Council and City departments on community issues and needs related...the City's community participation system;"<sup>iii</sup> and,

**Whereas**, the City of Minneapolis has informed existing Jurisdictions participating in the Neighborhood Revitalization Program (NRP) Joint Powers Agreement that terminated January 1, 2012, that the City will not be continuing participation in the Joint Powers Agreement; and,

**Whereas**, the City took certain actions in December 2010 involving uncontracted Phase II NRP Funding for the purpose of funding neighborhood programs and Neighborhood and Community Relations Department (NCR) neighborhoods support services for 2012-2013, which actions have had unforeseen consequences in terms of the program management and oversight;

**Now therefore be it Resolved** by the Neighborhood and Community Engagement Commission:

1. That the NCEC supports the City Council and Mayor conducting a transparent and deliberative process that adheres to the adopted Principles of Community Engagement and providing for thorough public engagement for proposed 2011 revisions to the City's NRP Ordinance effective in 2012.
2. That the NCEC supports the retention by the City of the empowered and expansive role of the NCEC, and opposes a retreat from the empowered and expansive role of the NCEC that arose from the concept of a Residents-based advisory commission envisioned under the Community Engagement Task Force, the Framework for the Future, and was actualized and enabled in Resolution 2008R-402.
3. That the NCEC recommends against having the City actions taken in December 2010 forming the basis of policy formulation for longer-term neighborhood programming and community engagement activities for the years 2014-2020, following the 18-month period from July 2012-December 2013 in which NRP Phase II Funding shall be used to fund the City programs.
4. That the NCEC recommends that the City Council narrowly define limited roles for the Policy Board to be established in 2012 to deal exclusively with NRP funding, NRP programs and NRP policies governed exclusively by the NRP Law, and further recommends that to the extent possible, the City Council and/or the Policy Board shall delegate or devolve, to the extent permitted by law, by agreement its limited roles to the City, or to the NCEC to fulfill NCEC's purposes.
5. That the NCEC recommends that the Policy Board's role with respect to the Community Participation Program (CPP) and the Neighborhood Priority Plans (NPP), shall be limited only to the period July 2012-December 2013 when the Phase II NRP funds will fund the CPP, Neighborhood Priority Plans, and NCR Department neighborhood support services.
6. That the NCEC recommends that the City involve established Neighborhood Organizations the number of and the desired method by which neighborhood representatives are selected to serve on the Policy Board to be established in 2012.
7. That the NCEC requests that the City Council and Mayor continue the NCEC's responsibility for programs funded by consolidated non-NRP TIF, and for all non-NRP Consolidated TIF funding that the City may approve to fund neighborhood programs and NCR neighborhood support services for the period 2014-2020.
8. That the NCEC recommends that the City Council continue work to preserve and strengthen the relationships with the City's Neighborhood Organizations through continuity in NCEC review and approval of neighborhood programming plans and funding, and Neighborhood Priority Plans and funding that are non-NRP derived.
9. That the NCEC recommends that the City Council reaffirms the primary role of the NCEC as a liaison between the City of Minneapolis and Neighborhood Organizations, Community Organizations and Cultural Organizations, to build upon the diverse cultures, viewpoints and interests of Minneapolis' residents and to promote full and active participation by all.

10. For the updated CPP Guidelines, the NRP Policy Board and the City Council should align NRP Policies with intent of the CPP Guidelines approved by the NCEC.

<sup>1</sup> Recommendations Item "R27 - CREATE A RESIDENT-BASED COMMISSION" that called upon the City to "Create a resident-based commission of community engagement" and that "The responsibilities of a community engagement commission should include but not be limited to: Actively assisting in short and long-term planning, development and implementation of the City's community engagement system.; Working with and advising the City on the development of policies related to community engagement.; Advising the Mayor, City Council and City Departments on community issues and needs related to community engagement and the City's community engagement system.; Reviewing the organizations seeking official support from the city for the purpose of community engagement," and recommended that "The composition of a community engagement commission should: Reflect the diverse interests and perspectives of the Minneapolis community. The recruitment process should be designed to ensure diversity of representation and ideas and take into consideration the City's commitment to civil rights, affirmative action and geographic distribution wherever possible.; Include resident appointees from the County, Park Board, and School Board.; Be provided the necessary City staff to meet these responsibilities.; Continuously evaluate its work and responsibilities to evolve with the needs of the City's community engagement system."

<sup>11</sup> Framework for the Future envisioned Resident-controlled Advisory Board, staffed by the new department, to "provide overall direction to the next phase of the Neighborhood Revitalization Program and be primarily responsible for the review and approval of neighborhood plans; oversee distribution and use of administrative funds and implementation of a community participation program; oversee distribution and use of the Neighborhood Investment Fund; recommend awards of grants through the Community Innovation Fund; advise the City Council and the Mayor on development or improvement of community participation policies, delivery of services and decision-making processes to systematize community input into City processes; provide feedback to City departments as they relate to community participation and the City's adopted Community Engagement Principles and make recommendations for improvements to City departments, the City Council and the Mayor as appropriate; and advise the Mayor, City Council and City departments on community issues and needs related to community participation and the City's community participation system;"<sup>1</sup>

The second resolution of the NCEC, introduced by Commissioner Matt Perry is:

### **Resolution – NCEC Roles**

**November 7, 2011**

*Whereas*, the Minneapolis City Council considers the relationship between residents and the City of vital importance to the health of the city; and

*Whereas*, a new Neighborhood Revitalization Program (NRP) Policy Board will be created with responsibilities that include administering NRP Phase I and Phase II Plans; and

*Whereas*, the Neighborhood and Community Relations Department (NCR) has been successfully established and is poised to continue the work of the Neighborhood Revitalization Program; and

*Whereas*, the City Council is committed to providing an organizational structure to manage and oversee the City's community participation activities through its creation of a resident based community engagement commission and a community engagement department; and

*Whereas*, local elections have seen decreasing voter turnout since 2001, especially among populations of color; and



*Whereas*, there has been an increased emphasis placed on courageous discussions about diversity among residents, which has been underscored by City Council action; and

*Whereas*, the population of the City as a whole is becoming progressively more diverse;

Now, Therefore, Be It Resolved by the Neighborhood and Community Engagement Commission of the City of Minneapolis;

**The Neighborhood and Community Engagement Commission envisions a City and community engagement process that increases inclusiveness, empowerment and greater opportunities for participation by all community members of the City of Minneapolis.**

***In light of the previously stated Vision, the roles that the Commission will assume, going forward, shall be:***

1. **Partner** In collaboration with NCR, study issues, courses of action, policies, and programs that affect the quality of life for City residents and make recommendations for improvements to City departments and the City Council as they pertain to community participation policies and delivery of services while integrating the voice of residents into the City's decision-making processes; and
2. **Appeals, Grievances and Designation** Consider appeals from neighborhood organizations regarding funding decisions involving the City funded programs administered by NCR, including the Community Participation Program (CPP) but excluding any NRP Phase I or Phase II Plans. The Commission will hear grievances of actions taken by neighborhood organizations and recommend to the City Council any necessary corrective remedies. The Commission will designate the recognized neighborhood organizations in the city; and
3. **Create Policy** Establish community engagement policies for the City's neighborhood programs, excluding Phase I and Phase II of the Neighborhood Revitalization Program, which promote more representative neighborhood organizations; and
4. **Cultivate Relationships** Serve as liaisons between the City of Minneapolis and community and neighborhood organizations. In this role the commission shall make every effort to ensure that the concerns represented reflect the diverse viewpoints and interests of the residents of Minneapolis; and
5. **Increase Participation** Advise the City Council on policy matters to build the capacity of under-represented groups in order to increase their participation in the civic governance of the City, expand the ability of neighborhood organizations to engage diverse neighbors, and assist in building partnerships with communities and groups that often do not participate in the formal neighborhood system, such as communities of color, new Americans and refugees as well as low income residents; and
6. **Broaden Representation** Develop a five-year community engagement policy plan to increase the number and diversity of people involved in their communities and seated to City boards and Commissions. This participation contributes to and strengthens the vitality of community capacity and increases the impact of the community on public decisions; and

7. **Give Voice** Promote broader engagement, increase inclusion, and identify/remove barriers of participation by fostering a sense of community and helping all residents address specific concerns via the NCR department and the Commission.

The following resolution was passed by neighborhood electors at the November 17, 2011 NRP Policy Board elections.

Whereas, the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board as it currently exists will be ending on December 31, 2011; and

Whereas, the Policy Board has allowed the neighborhoods of the city to select their own representatives to that Board for more than 18 years; and

Whereas, the City of Minneapolis plans to establish a new Policy Board in January 2012 to oversee the remaining NRP dollars; and

Whereas, the City has proposed that the four neighborhood residents seated on that Board be selected by the body of 50% appointed and 50% neighborhood elected individuals serving on the NCEC; and

Whereas, the only persons eligible for selection as "neighborhood representatives" to the new Board are the members of the NCEC; and

Whereas, none of the current NCEC members were selected for their position with the expectation that they may be responsible for decisions about neighborhood NRP activities; and

Whereas, the "neighborhood representatives" are to be selected without any input from the neighborhood organizations that will be subject to the decisions of the new Board; and

Whereas, this action directly and purposefully contradicts Principles 1, 4, and 5 of the Core Principles of Community Engagement adopted by the City Council and City of Minneapolis;

**Be It Resolved, that the designated representatives from more than 40 neighborhoods convened on November 17, 2011 strongly object to the selection process proposed by the City of Minneapolis for determining neighborhood representatives to be seated on the Policy Board governing NRP after January 1, 2012; and**

**Resolved Further, that the neighborhoods have elected four representatives and four alternates to serve as their voices on NRP matters; and**

**Resolved Further, that these representatives elected in accordance with the Core Principles of Community Engagement be seated as the neighborhood representatives on the new Policy Board that takes office in January 2012.**

The following comments on the NRP ordinance were provided by Citizens for a Loring Park Community:

To: Neighborhood Community Relations Department  
Fr: Citizens for a Loring Park Community (CLPC)  
Date: December 1st, 2011

Citizens for a Loring Park Community would like to go on record stating that they disagree with the December 2010 City Council action resulting in the loss of our NRP

Phase II funding. Too date, the **December 2010 City Council action lost us \$170,652.45**. These were primarily funds dedicated to housing improvement. Our existing rental stock is experiencing deferred maintenance and our historic properties are in need of repair, rehab, and reuse. Several properties have to install and replace elevators required by the State and some are in fear of foreclosure due to safety repairs mandated by the City. These repairs are not affordable in this economy for our property owners. CLPC's top priority is to ensure and protect the affordable housing stock, privately owned, which makes up the majority of our community. CLPC was in the process of contracting with a non-profit partner to leverage our limited NRP funds and create a pool of funding. We had to shut down negotiations after the December 2010 Council action.

Had a different approach been utilized, maybe CLPC would have considered an "adopt a neighborhood" approach and borrowed some of our funds to another neighborhood for a year or 2 until that neighborhood, who had already spent down their NRP Phase II funding, could afford to pay us back. We certain want neighborhoods to have continued capacity as they serve a vital function to the City of Minneapolis. But, we think it non-equitable that some neighborhoods to have utilized 100% of their appropriations and the rest of us are now having our appropriations taken from us.

CLPC wisely extended and leveraged their NRP Phase I resources continuing plan implementation until 2008. We delayed on creating a NRP Phase II plan due to political discussions about the future of Phase II and amount of funding available. But, we did then create throughout 2007-2008, our NRP Phase II plan, utilizing and leveraging thousands of volunteer hours and neighborhood expertise. We put together a comprehensive neighborhood plan available on our website at [www.loringpark.org](http://www.loringpark.org) and looked towards the implementation of this plan to follow the development of our Loring Park Master Plan. This neighborhood Master Planning process was prioritized by our community and our 1st implementation step of the Phase II plan. Priority #2 would then be to direct our Phase II resources and identify partners based on outcomes identified throughout the comprehensive community engagement process utilized, to leverage our limited NRP funds.

**Our NRP Phase II plan was approved December of 2008 going through the NRP Policy Board, City Council Community Development Committee, City Council Ways and Means Committee, the full City Council and then our appropriation published in Finance and Commerce.** Wise and strategic implementation of our Phase II plan requires us to work with the city constraints of 5-year long-range capital expenditure planning to potential assist with added elements through the investment of NRP funds, as well as State/County/City Housing funding timelines on any potential matching funding.

Strategic implementation takes time to effectively develop partnerships, utilize and direct existing city/county/state/private resources and projects. A strategic plan can not or should not be limited to a three-year implementation. A strategic, comprehensive approach takes a minimum of 3-5 years, sometimes 10, to thoroughly implement and incorporate existing timelines of partners. We chose and continue to choose, to be strategic, not just spend money to spend money.

So, we are wondering how this is even legal, to take already appropriated NRP Phase II funding via Council Action and then re-appropriating it?

**How?.....By changing this NRP Ordinance and then probably the legislation in 2012.**

Loring Park can use 100% of their appropriated NRP Phase II dollars to improve the neighborhood, ensure community input and direction to the future of our community, and to build our "Sense of Place" through events, projects, partnerships, gatherings, community forums, community meetings on Land Use issues and Safety.

**If our NRP Phase II funding is not taken, then NO CHANGES need occur to the NRP Ordinance or State Statute.**

With this stated first and foremost, if the Ordinance should indeed be amended, here are our comments:

1. Keep it simple. Keep policy and implementation details out of this Ordinance.
2. Add "Hennepin" under Library Board page 2 to read "....."consolidated into the Hennepin County Library system..."
3. Clarify that neighborhoods should indeed IMPLEMENT their Phase II NRP Plan since the majority of Minneapolis Neighborhoods have yet to implement their plans and some have yet to develop them. Additionally, articulate that a Neighborhood Priority Plan could be prioritizing the items within NRP Phase II to be implemented or be a plan created once NRP Phase II plan is completed. Articulate that these CPP funds may be used on this NRP Phase II implementation.
4. Page 4 under Tax Increment Act (b) - as amended from time to time - add - "in partnership AND DIALOGUE with neighborhoods"
5. Page 5 (c) (3) ..... "which focuses on.....propose to add to this statement "that neighborhoods work to create a Sense of Place, Continue to building multi-jurisdictional partnerships, continue to promote interdepartmental collaborations in consort with the neighborhoods, and continue to work to direct City/County/State resources leveraging public/private partnerships which neighborhoods bring to the table."
6. We agree with the strikes on Page 6 relating to the city finance office and audit requirement language.
7. Ensure that CPP funds involve organizing and outreach which was their original intent and that even implementation of bricks and mortar projects should incorporate an opportunity for organizing.
8. We strongly agree with striking Item 5 on page 9 per our statement above about the strategic element of any NRP Plan implementation.
9. Page 12 - 419.60 Policy Board - add "and four representatives plus four alternates to be selected/elected through a neighborhood identified process" (not an appointment process).

Finally, we acknowledge that the entire section 419.56 Community Participation Program Process has been inserted as a way to authenticate the theft of our NRP Phase II funding from the December 2010 City Council action, which **results in a loss to the Loring Park Neighborhoods of \$170,652.45 of funding**, through official City Council action was appropriated to the Loring Park Neighborhood.

Sincerely,

CLPC Board of Directors

The following comments about the new NRP ordinance and policy board were provided by neighborhood organizations and individuals as part of the 45-day review and comment period on the Community Participation Program Guidelines started October 8 and concluded on November 21, 2011. Other comments specific to the guidelines are not included here, but will be included with the City Council action on the guidelines that will be recommended in January.

**New NRP Policy Board:**

- ❖ Representation of neighborhood elected officials must be part of the new Policy Board.
- ❖ We feel strongly that the new NRP Policy Board should have neighborhood- elected representatives serving on the board.
- ❖ CPP and NPP Administration (Section IX): SCNA requests that the City Council and Mayor negotiate an agreement with the “new” NRP Policy Board, to be re- established in 2012 for the NRP Policy Board to enter into an agreement for the residents-based city commission (NCEC), which has representatives directly selected by Neighborhood Organizations, to fulfill the Policy Board’s purposes, as permitted under Minnesota Statutes, section 469.1831, Subd. 6 (e) (5).
- ❖ It is critically important that some portion of the NRP Policy Board (50%) be elected by neighborhoods and not appointed. Neighborhoods will be best represented by those elected to represent them, rather than even community members who are appointed.
- ❖ Composition of the reconstituted NRP Policy Board should have the four community members be selected from the elected members of NCEC board. The NRP board is already top heavy with appointed members and selecting additional appointed members would leave extremely limited input from neighborhoods.
- ❖ Frankly, I get so tired of being expected to understand the differences in the programs and the various acronyms and trying to understand how NRP and NCEC fit (or don't fit) together, that I don't think I have much of any useful information to add. If you feel like providing me with a thumbnail sketch of why Minneapolis people should care what goes on with NRP if the city has switched to the NCEC program, I'll read it and think about it. Otherwise, it seems to me like 2 city agencies competing for funds and just not all that relevant to what I do here in my neighborhood. I'm just happy to have a city program that recognizes the value of neighborhood people being involved in their neighborhood!
- ❖ It is very difficult/virtually impossible to envision how all this will work when the future composition of these various bodies (NRP Policy Board; NCEC) is unknown at this time.

**Use of NRP Funds:**

- ❖ We would also like to take the time to register our strong disapproval with the action taken by the Mayor and City Council last December to take \$10 million of neighborhood funding from some neighborhoods and reprogram it to fund this program and staffing for the NCR Department for the next two years. This is a direct violation of the commitment the Mayor and City Council made to neighborhood organizations when they adopted the Framework for the Future and has helped to create a high level of distrust that is preventing

neighborhood organizations from partnering effectively with the City and working to create a better Minneapolis.

- ❖ Our committee would like to express our disapproval of the City's decision to take \$10 million from neighborhood NRP dollars to fund NCR and the CPP program for the next two years. Neighborhood organizations' trust level with the City was greatly damaged by this action. CIDNA lost \$89,000 in Phase II NRP funds, while our CPP allocation for 2011 is \$16,000.
- ❖ At its outset, this Guidelines document should acknowledge the funding source for the 2012/2013 CPP "grant program": the Phase 2 NRP Funds frozen in December 2010 by City Council/Mayor actions in the context of adopting the City's 2011 budget. These NRP funds have been taken from Mpls neighborhoods that had expected to be able to use these funds to implement their neighborhoods' Phase 2 NRP Action Plans.
- ❖ NRP funds are subject to the requirements/restrictions in the Minnesota State NRP statute. The Guidelines document also should clarify which of the proposed revisions relates specifically to that Statute.
- ❖ NPP and Resource Allocation/Mitigation of Frozen Phase II Funds (Section V): SCNA requests that the City, through the NCR Department and the NCEC, develop a plan to mitigate financial impacts from the "frozen Phase II NRP funds" and implement the "Equity Directive" through capital improvement program funds or other municipal resources, over and above CPP funds.
- ❖ I also thought that NCEC should say no to stealing the Phase II funds and demand from the City that they find another source of funding neighborhoods vs. taking already allocated funds approved by NRP Policy Board, City Council Community Development, Ways & Means Committee and ultimately City Council.
- ❖ Since the NRP funds are supporting the CPP in 2012 and 2013 it would appear that all the money we lost from the NRP phase II allocation is being funneled to other more prosperous neighborhoods in the city.
- ❖ Community Participation Program (CPP) Plan Approval (Section III): SCNA objects to the City proposed guidelines to bring both NRP-derived and non NRP- derived CPP funds under the NRP Policy Board and NRP Statutes. Consolidated Tax Increment Financing funds from the Transformation Districts were subject to use for neighborhood revitalization purposes, but should not be subject to the more restrictive provisions as those governing NRP program funds.
- ❖ They will never pay us back from the stolen Phase II NRP Funds.
- ❖ There is no money yet dedicated from the City's to neighborhoods post 2014.
- ❖ Doubtful that additional TIF Districts would be re-certified in 2014, since Property Tax relief will still be an issue in 2014.
- ❖ No general support money dedicated to the City for 2012 and 2013 - \$2 million of the stolen \$10 million will be dedicated to staff support of the NCEC Dept. No other funds have yet been articulated.

- ❖ The new “Transformation Districts” developed legislatively 2 years ago to save neighborhoods by re-certifying pre-1979 TIF Districts went by Council Action from re-certifying 100% of them to re-certifying only 50% of them. Then, by Council Action, 50% of these funds went to Target Debt and 50% was supposed to go to Neighborhoods. But, end of year 2010, these funds were directed to property tax relief, NRP Phase II funds frozen and now these frozen NRP Phase II funds are the funds being re-allocated per the 2012 Community Participation Plan proposed Formula.

#### Continuity of Support and Services:

- ❖ No NRP Staff have been hired to go over to NCR yet, therefore contract management, plan modification, reimbursements more than likely will be delayed until Spring of 2013. There will be no seamless transition in my estimation.
- ❖ CIDNA is busy with implementing our Phase II plan. We do not feel confident that a plan is in place to handle our NRP contracts, etc. after the end of the year. What is the department’s plan to handle all CPP, NPP and NRP workload for 71 neighborhoods?
- ❖ Five NCR staff members working with 71 neighborhoods.
- ❖ It is very important that we continue to have access to group rates for Directors and Officers insurance and for audit services.
- ❖ It is unclear from the guidelines if NCR will be providing D & O Insurance , Liability Insurance and CPA /Accountant services for preparation of the 990 report.
- ❖ No Transition plan yet for the funding of Audits, D & O Insurance, or MTN partnerships. The City in their projected budget has increased cable rates and cut their contribution to MTN, thus no future for a MTN partnership to document neighborhood work at this time.
- ❖ Decide whether or not the NCR will provide at no charge to neighborhood organization Directors and Officers Insurance and annual audits of policies and procedures. Decide!

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<sup>i</sup> Recommendations Item "R27 - CREATE A RESIDENT-BASED COMMISSION" that called upon the City to "Create a resident-based commission of community engagement" and that "The responsibilities of a community engagement commission should include but not be limited to: Actively assisting in short and long-term planning, development and implementation of the City's community engagement system.; Working with and advising the City on the development of policies related to community engagement.; Advising the Mayor, City Council and City Departments on community issues and needs related to community engagement and the City's community engagement system.; Reviewing the organizations seeking official support from the city for the purpose of community engagement," and recommended that "The composition of a community engagement commission should: Reflect the diverse interests and perspectives of the Minneapolis community. The recruitment process should be designed to ensure diversity of representation and ideas and take into consideration the City's commitment to civil rights, affirmative action and geographic distribution wherever possible.; Include resident appointees from the County, Park Board, and School Board.; Be provided the necessary City staff to meet these responsibilities.; Continuously evaluate its work and responsibilities to evolve with the needs of the City's community engagement system."

<sup>ii</sup> Framework for the Future envisioned Resident-controlled Advisory Board, staffed by the new department, to "provide overall direction to the next phase of the Neighborhood Revitalization Program and be primarily responsible for the review and approval of neighborhood plans; oversee distribution and use of administrative funds and implementation of a community participation program; oversee distribution and use of the Neighborhood Investment Fund; recommend awards of grants through the Community Innovation Fund; advise the City Council and the Mayor on development or improvement of community participation policies, delivery of services and decision-making processes

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to systematize community input into City processes; provide feedback to City departments as they relate to community participation and the City's adopted Community Engagement Principles and make recommendations for improvements to City departments, the City Council and the Mayor as appropriate; and advise the Mayor, City Council and City departments on community issues and needs related to community participation and the City's community participation system;"<sup>iii</sup>

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